



STATE OF WISCONSIN
Department of Employee Trust Funds
Eric O. Stanchfield
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931

1-877-533-5020 (toll free)
Fax (608) 267-4549
TTY (608) 267-0676
<http://etf.wi.gov>

CORRESPONDENCE MEMORANDUM

DATE: September 14, 2004
TO: Wisconsin Deferred Compensation Board Investment Committee
FROM: Shelly Schueller, Director
Wisconsin Deferred Compensation Program
SUBJECT: Miscellaneous

There are two separate items included with this memo for your review prior to the Investment Committee meeting on September 21, 2004.

▪ **T. Rowe Price News**

Attached is an email from T. Rowe Price announcing a change in redemption policies for their international funds, including the T. Rowe Price International Stock Fund offered by the Wisconsin Deferred Compensation (WDC) Program. In April 2004, T. Rowe Price filed prospectus updates with the federal Securities and Exchange Commission (SEC) modifying the redemption fee policies of several of our mutual funds. At that point company-sponsored retirement plans such as the WDC were exempted from these fees. However, T. Rowe Price announced in September that this exemption would end as of January 1, 2005.

It appears that this move by T. Rowe Price is an effort to “get out in front” of any new regulations that may be proposed by the SEC. Staff are gathering information on how this change and any proposed by the SEC may impact WDC participants and will provide information to the WDC Board at the November 2004 meeting. Nationwide Retirement Solutions (NRS) is aware of these new redemption fees and will be able to administer them starting in early 2005.

▪ **2) Fidelity Contrafund Information**

The Investment Committee met on August 19, 2004, to review and discuss investment fund alternatives. During the discussion, the Investment Committee asked for additional information on Fidelity Contrafund.

Attached are several pages of information, including:

- A page of graphs from Morningstar illustrating the investment performance (return) of Fidelity Contrafund vs the universe of large cap blend funds as of June 2004;
- The 2004 Morningstar Datalab “Quicktake” review of Fidelity Contrafund; and
- The Fidelity Contrafund prospectus and supplement as of February 2003.

Please let me know if you would like any additional data on Fidelity Contrafund and we will do our best to provide it to you.